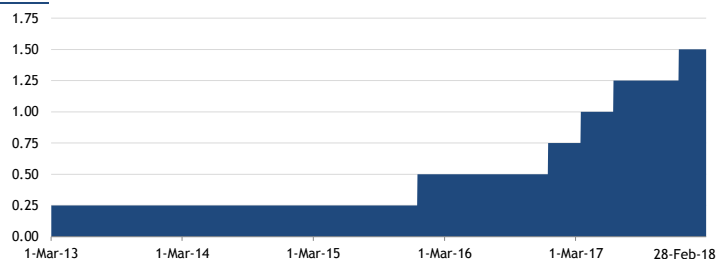


Highlights in the Foreign Exchange Market:

- In a testimony before congress, new Fed chair Jerome Powell spoke with an optimistic view of the US economy. Powell expressed confidence that wage growth would pick up and that the recent shortfall in inflation is still transitory. As such, the Fed is likely to continue its gradual interest rate increases, while allowing the balance sheet to shrink to more normal levels. The US dollar received a modest boost after the comments while the US 10yr bond yield rose back to 2.9% indicating confidence for future hikes.
- Orders for business equipment at US factories unexpectedly fell for a second month, a sign that demand is cooling from its hot pace in recent quarters. The figures represented the first back-to-back drops in orders for business equipment since April-May 2016. However, business-equipment investment in the US rose at an 11.4% annualized rate in the fourth quarter, the fastest in three years and capital investment is likely to be supported in 2018 due to the newly passed tax cuts.
- Inflation in the euro area is likely to fall once again in February though the move should have few implications for monetary policy. However, weak core inflation is likely to leave the doves at the ECB resisting calls from the hawks for a quick move toward the exit from its asset purchase program. Eurozone inflation figures are to be released later today.

US FED Fund Rate



US 10yr Treasury Yield



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2125	1.2165	1.2222	1.2270	1.2335
GBP	1.3795	1.3855	1.3900	1.3950	1.4005
JPY	106.25	106.75	107.23	107.75	108.25
CHF	0.9295	0.9350	0.9400	0.9455	0.9505

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2231	1.89	EUR/GBP	0.8792	(0.95)
GBP/USD	1.3907	2.78	GBP/JPY	149.24	(2.18)
USD/JPY	107.31	(4.93)	EUR/JPY	131.29	(3.13)
USD/CHF	0.9388	(3.55)	EUR/CHF	1.1485	(1.72)

Major Crosses

Brief Technical Commentary

EUR/USD: pair moved down to the 1.2219 level during Tuesday's trading session and currently trading at 1.2222. EUR Resistance is at (1.2335-1.2355) any break above targets 1.2480 and Support is at (1.2095-1.2125) any break below targets 1.1915. The pair is currently Neutral.

USD/JPY: pair moved up to the 107.67 level during Tuesday's trading session and currently trading at 107.23. USD/JPY Resistance is at (107.95-108.25) any break above targets 109.70 and Support is at (105.95-106.25) any break below targets 105.00. The pair is currently Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.31	1.69	1.88	2.06	2.38
USD	1.48	1.66	2.01	2.21	2.48
EUR	-0.42	-0.40	-0.38	-0.32	-0.25
GBP	0.49	0.50	0.58	0.69	0.91
CHF	-0.81	-0.80	-0.74	-0.66	-0.53
AUD	1.55	2.18	2.08	2.00	2.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
27-Feb-18	JPY	BOJ Core CPI y/y	0.8%	0.6%	0.7%
27-Feb-18	EUR	German Prelim CPI m/m	0.5%	0.5%	-0.7%
27-Feb-18	USD	Core Durable Goods Orders m/m	-0.3%	0.4%	0.7%
27-Feb-18	USD	Fed Chair Powell Testifies			
27-Feb-18	USD	CB Consumer Confidence	130.8	126.2	125.4
28-Feb-18	EUR	CPI Flash Estimate y/y		1.2%	1.3%
28-Feb-18	USD	Chicago PMI		64.1	65.7
1-Mar-18	USD	Core PCE Price Index m/m		0.3%	0.2%
1-Mar-18	USD	ISM Manufacturing PMI		59.0	59.1
2-Mar-18	GBP	Construction PMI		50.5	50.2

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.05	2.28	2.68	2.90	3.16
Germany	-0.66	-0.53	0.04	0.67	1.31
United Kingdom	0.71	0.82	1.21	1.55	1.95
Japan	-0.17	-0.17	-0.12	0.04	0.75

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	62.82	(1.43)	Dow Jones	25,410.03	(299.24)
Brent	68.23	(0.03)	Nikkei 225	22,157.43	(1.04)
West Texas	62.93	(0.03)	S&P 500	21,736.44	(35.32)
Gold	1,317.70	(0.04)	KuwaitSE	6,784.25	13.95

Global Indices

All information has been sourced from Reuters

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